GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:5156
ANSWERED ON:20.04.2001
CLOSING DOWN OF PROFITABLE PSUS
ADHIR RANJAN CHOWDHURY;SHYAMA SINGH

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether the attention of the Government has been drawn to the press news item captioned `Government moves to close down profitable public sector undertakings` as reported in the `Times of India` dated February 23, 2001;

(b) if so, the facts of the matter reported therein;

(c) the reasons and justification for closing down the PSUs which are profitable;

(d) whether the existing policy of the Government to close down PSUs would be reviewed; and

(e) if so, the details thereof ?

Answer

THE MINISTER OF STATE FOR HEAVY INDUSTRIES & PUBLIC ENTERPRISES (DR. VALLABHBHAI KATHIRIA)

(a) to (b) Yes Sir. The news item refers to closure of ET & T. ET & T for past many years has been incurring losses. During 1999-2000, it incurred a net loss of Rs. 16.93 crores. Based on the recommendations of the Disinvestment Commission, Government have decided to wind up the company.

(c) to (e) The present policy of the Government on disinvestment is to restructure and revive potentially viable PSUs and close down only those PSUs which cannot be revived.